

THE HONORABLE THOMAS S. ZILLY

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

REX - REAL ESTATE EXCHANGE, INC.,  
Plaintiff,  
v.  
ZILLOW, INC., et al.,  
Defendants.

Case No. 2:21-CV-00312-TSZ

**DECLARATION OF RYAN DUFFEY  
IN SUPPORT OF ZILLOW  
DEFENDANTS' RESPONSE TO  
PLAINTIFF'S MOTION TO SEAL**

**NOTE ON MOTION CALENDAR:**  
May 12, 2023

DECLARATION OF RYAN DUFFEY IN  
SUPPORT OF ZILLOW DEFENDANTS'  
RESPONSE TO PLAINTIFF'S MOTION TO  
SEAL  
2:21-CV-00312-TSZ

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Seattle, Washington 98101  
+1 206 839 4300

1 I, Ryan Duffey, hereby declare:

2 1. I am a Senior Paralegal for Zillow Group, Inc. I have personal knowledge of  
3 the facts set forth in this declaration, and if called as a witness, would competently testify  
4 thereto.

5 2. Exhibit D (Dkt. No. 305-2) to the Declaration of Carl Goldfarb is an internal  
6 email thread between Zillow employees regarding Project Bookshelf. A redacted version of  
7 Exhibit D that may be publicly filed is attached. The redacted portion of this email thread that  
8 Zillow Defendants are moving to maintain under seal includes non-public strategy discussions,  
9 including discussion of competitive threats and compliance obligations. As these matters are  
10 ongoing and remain sensitive, public disclosure of this information may cause Zillow  
11 Defendants competitive harm.

12 3. Exhibit E (Dkt. No. 305-4) to the Declaration of Carl Goldfarb, titled “Zillow  
13 2.0 Strategy Beliefs,” is a non-public strategy discussion of Zillow’s business model, including  
14 details regarding Zillow’s future expansion plans and how Zillow intends to focus its  
15 resources. This document was marked internally as “Company Confidential – Do Not  
16 Distribute” and has not been shared outside of Zillow as it contains sensitive non-public  
17 strategic information regarding Zillow’s future business plans. If this information were to be  
18 publicly disclosed, it would cause harm to Zillow’s competitive advantage.

19 4. Exhibit F (Dkt. No. 305-4) to the Declaration of Carl Goldfarb is an internal  
20 email thread containing internal, non-public strategy information regarding Project Bookshelf  
21 and discussions relating to Zillow’s competitors and Zillow’s relationships with other third  
22 parties. If this information were to be publicly disclosed, it would cause harm to Zillow’s  
23 competitive advantage, and could also cause undue burden to third parties with whom Zillow  
24 has a business relationship.

25 5. Exhibit J (Dkt. No. 305-6) to the Declaration of Carl Goldfarb is an internal  
26 email thread between Zillow employees discussing internal reactions to an article regarding  
27

1 Zillow Offers. A redacted version of Exhibit J that may be publicly filed is attached. The  
 2 redacted portion of this email thread that Zillow Defendants are moving to maintain under seal  
 3 contains internal, non-public discussions regarding the article. The disclosure of these  
 4 internal, non-public discussions would cause undue embarrassment to Zillow Defendants.

5 6. Exhibit M (Dkt. No. 305-9) to the Declaration of Carl Goldfarb contains excerpts  
 6 from the deposition of Matthew Hendricks, which was marked Highly Confidential – Attorneys’  
 7 Eyes Only. A redacted version of Exhibit M that may be publicly filed is attached. The redacted  
 8 portion of the deposition transcript excerpts that Zillow Defendants wish to maintain under seal  
 9 includes non-public financial projections relating to certain lines of business within Zillow.  
 10 Public disclosure of this sensitive financial information may cause Zillow Defendants  
 11 competitive harm.

12 7. Exhibit N (Dkt. No. 305-10) to the Declaration of Carl Goldfarb is an email  
 13 thread between counsel for Plaintiff and counsel for Zillow Defendants, which summarizes and  
 14 quotes from a number of documents produced by Zillow Defendants in this case that have been  
 15 marked Highly Confidential – Attorneys’ Eyes Only. A redacted version of Exhibit N is  
 16 attached. The redacted portion of the email thread that Zillow Defendants wish to maintain  
 17 under seal includes confidential and proprietary business information of Zillow Defendants,  
 18 including non-public details regarding contracts with third parties, consumer testing, and  
 19 Zillow’s allocation of resources. Public disclosure of this information would cause Zillow  
 20 Defendants competitive harm.

21 8. Exhibit O (Dkt. No. 305-11) to the Declaration of Carl Goldfarb is an internal  
 22 email thread containing non-public analyses of Zillow’s potential weaknesses (and potential  
 23 remedies) in listings coverage, timeliness, listing quality, and listing security, as well as  
 24 discussion of potential threats and various tools with respect to gaining advantage in those  
 25 areas. If this information were to be publicly disclosed, it would cause harm to Zillow’s  
 26 competitive advantage.

9. Exhibit Q (Dkt. No. 305-13) to the Declaration of Carl Goldfarb is an internal Zillow email, labelled “Confidential, Internal Only” discusses issues relating to the winding down of Zillow Offers. Public disclosure of this confidential and sensitive internal information regarding the winding down of, and reduction in force relating to, Zillow Offers, is unnecessary and entirely unrelated to any issue in this litigation. Nor is it necessary to understand the motion for protective order to vacate the deposition of Rich Barton in this case.

10. Exhibit T (Dkt. No. 305-15) to the Declaration of Carl Goldfarb is an internal, non-public presentation that includes internal financial and performance numbers that are competitively sensitive. This presentation also includes sensitive discussions of Zillow’s work environment.

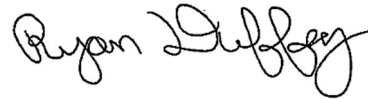
11. Exhibit U (Dkt. No. 305-16) is a draft of a document titled “Start an Offer Comms Plan.” This document includes non-public business plans and strategy surrounding Zillow Offers. Though Zillow Offers has been wound down, this document includes non-public marketing and communications strategies, the disclosure of which could cause Zillow Defendants competitive harm. Public disclosure of this document would also reveal Zillow’s internal processes with respect to such strategies. This document also includes discussion of internal market research findings and non-public analyses of competitors’ programs, the disclosure of which could cause competitive harm to Zillow Defendants. This document also includes non-public sales and financial information regarding the Start an Offer program.

12. Exhibits K and L (Dkt. Nos. 305-7, 305-8) to the Declaration of Carl Goldfarb are copies of Zillow’s Responses and Objections to REX’s Third Set of Interrogatories and Fourth Set of Interrogatories. Zillow Defendants’ responses in Exhibit K contain information regarding Zillow’s internal processes with respect to its product development and services, discussion of internal consumer and market testing, and discussions of Zillow’s business models and the reasons for changes thereto. Public disclosure of Zillow’s internal processes, market research, and business models would benefit Zillow’s competitors and put Zillow at a

1 disadvantage. Zillow Defendants' responses in Exhibit L contain information regarding how  
2 strategic decisions at Zillow are made, including with respect to Project Bookshelf, and  
3 identifies individuals involved in key decision-making processes at Zillow.

4  
5 I declare under penalty of perjury under the laws of the United States of America that  
6 the foregoing is true and correct.

7 Executed on this 8th day of May 2023 in Scottsdale, Arizona.

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Ryan Duffey

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